Get the most out of your Tax Return

Grimsey

With the end of this financial year looming, the Grimsey team of financial specialists want to help you get the most from your tax return. While it's true that tax payers who are organised and begin to gather documentation before the end of the financial year are most likely to receive a larger tax return, in reality most of us let our best intentions fall by the wayside. This year, the Grimsey team have put together a list of tips for getting the most out of your tax return.

Lodge your return early

Organising the mountain of paperwork and receipts can seem like a never-ending task but putting it off longer will not make it any easier – in fact it will only make it harder to remember what everything is! Put aside some time to get all your tax documentation ready and send it off to your tax agent.

Organise health insurance

Singles with a taxable income of $90,000 or more and no private health cover face a Medicare levy surcharge. If you don't have private health cover and you currently earn $90,000 or more, taking out private health insurance now will help you to decrease the surcharge you have to pay.

Add to your Super

Salary sacrificed super contributions are taxed at 15 per cent, which is likely to be lower than your marginal tax rate. Additionally, any super contributions come out of your before-tax income and they are therefore not counted as assessable income for taxation purposes.

Investment Property opportunities

Make sure you claim every possible expense available to property investors and speak with your tax agent to ensure nothing is missed. Many property investors don't realise they can claim for a range of expenses on their property, such as agents and body corporate fees, advertising for tenants, building maintenance and repairs, council bills and water rates.

Income Protection Insurance

Income Protection Insurance is a claimable tax deduction, but not if it is funded through your superannuation. If you already have a policy and can afford to pay your premiums for the next 12 months in advance, doing so before July will mean you are able to claim the cost as a tax deduction for the 2014/2015 financial year.

Reduce your debt

We can often get excited about receiving a sizable tax return cheque. Many people use the money for retail therapy, however for the best use of your return look at what debt you currently have. Debt that is non tax-reducing can be costing you a lot of money every month, so we suggest you use the money to pay off high interest earning debt such as credit cards.